



- These slides summarize the voting of the Panel on recommendations presented by the PBA Working Group during the Public Meetings held on March 17, 2006 and March 29, 2006. Actions taken on the recommendations are in brackets after each recommendation that follows.



Performance-Based Acquisition Working Group

Recommendations

*March 17, 2006 and March
29, 2006*



The Panel's Mandate

SARA Legislative Mandate to Panel:

Review all Federal acquisition laws and regulations, and, to the extent practicable, government-wide acquisition policies, “with a view toward ensuring effective and appropriate use of commercial practices and performance-based contracting”

Working Group Statement of Issue:

“Why has Performance-based Services Acquisition not been fully implemented in the federal government?”



GAO Review of PBSA

“According to our reviews, agencies may have missed opportunities to take advantage of the benefits offered by...performance based service contracting, because of inadequate guidance and training, a weak internal control environment, limited performance measures, and data that agencies can use to make informed decisions.”

--Government Accountability Office
April 2003



When and How...Key Issue!

- Major inconsistencies in how to define PBC and when to use PBC (GAO 2002 Report)
 - Inconsistencies “raise concern as to whether agencies have a good understanding of performance-based contracting and how to take full advantage of it.”



Working Group Findings

- **#1. Despite OMB Target, Agencies Remain Unsure When to Use PBSA**
- **#2 PBSA Solicitations & Contracts Continue to Focus on Activities and Processes, Rather than Performance and Results**
- **#3 PBSA's Potential for Generating Transformational Solutions To Agency Challenges Remains Largely Untapped**
- **#4. Within Federal Acquisition Functions, There Still Exists a Cultural Emphasis on "Getting to Award"**



Working Group Findings, cont.

- **#5. Post-Award Contract Performance Monitoring and Management Needs to Be Improved**
- **#6. Most Contract Incentives Are Still Not Aligned to Maximize Performance and Continuous Improvement**
- **#7. FPDS Data Are Insufficient and Perhaps Misleading Regarding Use and Success of PBSA**



Three Major Recommendation Areas

(see individual recommendations for results of voting)

■ **When to Use...**

- #1. Revised PBA Quotas
- #2. OMB Guidance on When to Use and PBA “Opportunity Assessment” Tool
- #3. Agency Acquisition Performance Plans

■ **How to Use...**

- #4. Best Practice Measures Guide
- #5. Baseline Performance Case Requirement
- #6. Performance Improvement Plan Requirement
- #7. OMB Guidance on Use of Incentives
- #8. Revised 7 Steps Process
- #9. Designation of COPR Role for PBA

■ **Data and Benefits...**

- #10. A-PART Oversight Process
- #11. 5 Year Study of Proper Implementation...and Impacts



Recommendation 1:
OMB's Government-Wide Quota of Requiring 40% of Acquisitions be Performance-based Should be Adjusted to Reflect Individual Agency Assessments and Plans for Using PBA

[Adopted by Panel 3/17/06]



Recommendation 2:
OFPP Should Issue More Explicit
Guidance and Create a PBA
“Opportunity Assessment” Tool to
Help Agencies Identify When They
Should Consider Using
Performance-based Acquisition

[Adopted as revised by Panel
3/17/06]



Recommendation 3:
Require Agencies to Devise
“Acquisition Performance Plans” to
Guide their Acquisition
Management

[Withdrawn by working group]



Recommendation 4:
Publish a Best Practice Guide on
Development of Measurable
Performance Standards for
Contracts

[Adopted as revised by Panel
3/17/06]

A man in a dark suit and tie stands on the wide stone steps of the U.S. Capitol building. He is holding a black folder or book. The Capitol's iconic dome and classical architecture are visible in the background under a clear sky.

Recommendation 5:

Modify the FAR to Include an Identification of the Government's Need/Requirements by Defining a "Baseline Performance Case" in the PWS or SOO. OFPP should issue guidance as to the content of the Baseline Performance cases.

**[Adopted as revised by Panel
3/29/06]**



Recommendation 6:

Improve Post-Award Contract Performance Monitoring and Management, Including Methods for Continuous Improvement and Communication through the Creation of a Contract-Specific “Performance Improvement Plan” that would be Appropriately Tailored to the Specific Acquisition.

**[Adopted as revised by Panel
3/29/06]**



Recommendation 7:
**OFPP Should Provide Improved
Guidance on Types of Incentives
Appropriate for Various Contract
Vehicles**

**[Adopted as revised by Panel
3/29/06]**



Recommendation 8:
OFPP Should Revise the Seven Step
Process to Reflect the Panel's new
PBA Recommendations

[Adopted by Panel 3/29/06]



Recommendation 9:
**Contracting Officer Technical
Representatives (COTR's), in PBAs
receive additional PBA training
and be re-designated as
Contracting Officer Performance
Representatives (COPR's)**

**[Adopted as revised by Panel
3/29/06]**



Recommendation 10:
**Improved Data on PBA Usage and
Enhanced Oversight by OFPP on
Proper PBA Implementation Using
an “Acquisition Performance
Assessment Rating Tool” A-PART**

[Adopted by Panel 3/29/06]



Recommendation 11:
OFPP should undertake a systematic study on the challenges, costs and benefits of using performance-based acquisition techniques five years from the date of the Panel's delivery of its final report

[Adopted by Panel 3/29/06]